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NEW GDR COMMODITY REGISTER FOR FOREIGN TRADE

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/Summary: This report describes the new GDR commodity register for foreign trade and explains the manner in which commodities are listed in this register. It also points out the difference between the new commodity register for foreign trade on the one hand, and the older general commodity register and the classification list of the annual economic plan on the other. The source article is signed: Guenter Wiederann, MAI (Ministry of Foreign and Intra-German Trade).

The MAI of the GDR has issued a commodity register for foreign trade, which is based on the USSR nomenclature for export commodities. It includes all commodities which are currently being moved in foreign trade, which were moved during the past few years, or which may be moved in the foresceable future. The register is a commodity list compiled on strictly commercial principles, with specific attention to the requirements of foreign trade. A similar commodity register for foreign trade ic in use in most of the People's Democracies.

The general commodity register and the classification list of the annual economic plan group commodities together by branches of industry producing them. Soap, for instance, is found under chemical products in the classification list. However, in the commodity register for foreign trade, commodities are grouped together by their use. Thus, soap is here listed in Section V, Consumer Goods. Similarly, in the classification list of the annual economic plan, sewing machines are listed under machine building; but in the commodity register for foreign trade they are listed in Section V, Consumer Goods, under Machinery, Instruments, and Metal Goods for Consumers.

While it would be desirable to reduce the two lists to a common denominator, this is impossible in the middle of the Five-Year Plan. The foreign trade authorities of the GDR must therefore speak two languages, using the classification list or the general commodity register in their dealings with domestic producers, and the commodity register for foreign trade in their dealings with foreign customers. The commodity register for foreign trade does not, therefore, replace the nomenclatures now in use, but is intended to facilitate commercial transactions between the GDR and countries friendly to her.

The commodity register for foreign trade is divided into categories different from those of the classification list. It has five sections, as follows:

- I. Machinery, installations, and equipment for production and nonproduction purposes.
- $\,$ II. $\,$ Raw materials, materials, and fuels of agricultural and industrial origin.
 - III. Livestock and other animals.
 - IV. Foodstuffs, unprocessed and processed.
- V. Consumer goods for direct consumption, excluding machinery and equipment.

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The commodity register for foreign trade contains about 3,900 commodity entries, considerably more than the classification list of the annual economic plan. With commodity subgroup designations and specification designations, there are about 7,900 entries in the register.

The commodity register for foreign trade is compiled on the basis of the decimal system and is adaptable to a business-machine system. It can always be supplemented, without a change in the order of the listed commodities, by the insertion of additional numerals. The numerals designating the listed commodities are eight-digit numbers, each pair of digits indicating the following:

First pair: Commodity group

Second pair: Commodity subgroup

Third pair: Commodity

Fourth pair: Specification of the commodity

Under this system, there can be 99 commodity groups (there are at present 60); under each commodity group there can be 99 subgroups; under each subgroup, 99 commodities; and under each commodity, 99 specifications.

For example, the commodity "cobbler's nails" is entered in the commodity register for foreign trade according to the following designations:

Commodity group 20 -- Ferrous Metals and Ferrous-Metals Products for Production Purposes.

Commodity subgroup 12 -- Metal Products

Commodity Ol -- Nails.

Specification 02 -- Cobbler's Nails.

Thus, the complete designation for cobbler's nails is 20 12 01 02.

For purposes of expanding the register, there is a sufficient number of unused numerals which can be assigned to specific commodities as they are included in the register. Occasionally a commedity included under a general designation, such as 20 12 01 33 -- Miscellaneous Nails, will be taken out of this category and given a special designation, such as 20 12 01 04 -- Horseshoe Nails. But the designation, 20 12 01 33 -- Miscellaneous Nails, will be retained to cover other types of mails not individually licted.

To facilitate the use of the commodity register for foreign trade, a number key has been created in which the item numbers of the general commodity register and the classification list of the annual economic plan are placed beside the item numbers of the commodity register for foreign trade.

However, this first edition of the commodity register for foreign trade has a number of shortcomings. In Section IV, Foodstuffs, several of the commodity designations are missing after the item numbers, because their proper designation could not be found or formulated. There are also errors in the listing of plan item and commodity register numbers. Yet, there is no doubt that despite its deficiencies and weaknesses, the new register will serve to improve the work of GDR agencies dealing with intra-German and foreign trade.

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The 1954 foreign trade plan, as well as all future plans, will be drawn up on the basis of the new commodity register for foreign trade. Statistical reporting of the foreign trade plan and of trade agreements will likewise be done on the basis of this register. However, these plans, the statistical reports, and the trade agreements must continue to carry the plan item numbers of the classification list of the smmal economic plan, because industry can learn of the import and export plans of the GDR trade agencies only in this way.

The commodity register for foreign trade will be used in the new negotiations for trade agreements with the USSR and the People's Democracies which are to begin soon. The new register will make it easier for negotiators on both sides to understand each other. They will speak the same language and can both be equally exact. Thus they can avoid misunderstandings regarding types and qualities of goods to be traded. Use of the new register should not await the beginning of a new plan year, but the numbers should be written into all future export orders and generally brought into use by the HAS (Main Departments) for Import, Export, and Intra-German Trade of the MAI.

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